



# **Proposed Legislation in support of Shared Renewable Energy Facilities**

**A presentation to the Science, Technology and  
Telecommunications Committee of the  
New Mexico Legislature**

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**A Shared Renewable Energy Facility is a**  
**Facility that generates renewable energy, and**  
**Allows individuals or businesses to purchase subscriptions in it.**

**The Facility may consist of:**

**Solar (photovoltaic) panels,**  
**Wind turbines,**  
**Biomass fueled generators, or**  
**Other renewable electricity generating equipment, or**  
**Combinations of such equipment.**

**A Subscription entitles its owner to a percentage of the facility's monthly production,**  
**which is subtracted from the owner's monthly electricity bill.**



**Advantages of Shared Renewable Energy Facilities:**

**They make renewable energy available to those who can't, or don't want to, have equipment on their own property. For example:**

**Renters and leasers,**

**Properties without good solar exposure,**

**Properties in historic districts, and**

**Buildings that would require electrical or roof work.**

**They take advantage of economies of scale.**

**They can make renewable energy available to those who can't afford the up-front cost.**

**Shares can be purchased in small increments over time.**

**Special access mortgage packages should make it possible for low-income households to pay for subscriptions with saving on electric bills.**



**The first shared renewable energy facility in New Mexico is located behind the Taos Charter School in Taos.**



**It's a 100 kW array, consisting of 420 panels of 235 watts each.**

**It was built by a local solar installer, and was activated in August 2012**

**The panels sold for \$845, later reduced to \$795, and are now sold out.**

**We estimate that the cost in a new facility would be about \$500 per panel.**



**This “Community Solar” projects works as follows:**

**Any customer/member of Kit Carson Electric Coop (KCEC) can buy one or more panels, up to the number that will supply their annual electricity use.**

**The electricity produced by the panels is subtracted from the owner’s bill each month.**

**If the owner moves within KCEC’s service area, the panels’ production will be transferred to the new address.**

**The panels can be sold or given away at any time. If given to a charitable organization, their value is tax-deductible.**

**The panels and other equipment will be maintained or replaced for fifty (50) years. There is a trust fund for this purpose.**

**In the case of this community solar facility, individual panels are purchased. In other cases, e.g., large wind turbines or a biomass generator, a subscription would consist of a percentage of the monthly output.**



**Why we need legislation:**

**Tri-State Generation & Transmission Association, Inc. (Tri-State) limits the amount of electricity any of its member coops can generate to 5% of their total sales.**

**The 5% limit now applies to shared renewable generation facilities.**

**Investor-Owned Utilities (IOUs) are not required to allow such facilities in their service area.**

**At least one IOU has prevented the construction of a facility, despite wide community support for it.**

**Large numbers of New Mexico families can't afford the up-front cost of renewable energy, and may not qualify for loans at low interest rates. The legislation would require the New Mexico Mortgage Finance Authority to provide low-interest loans.**

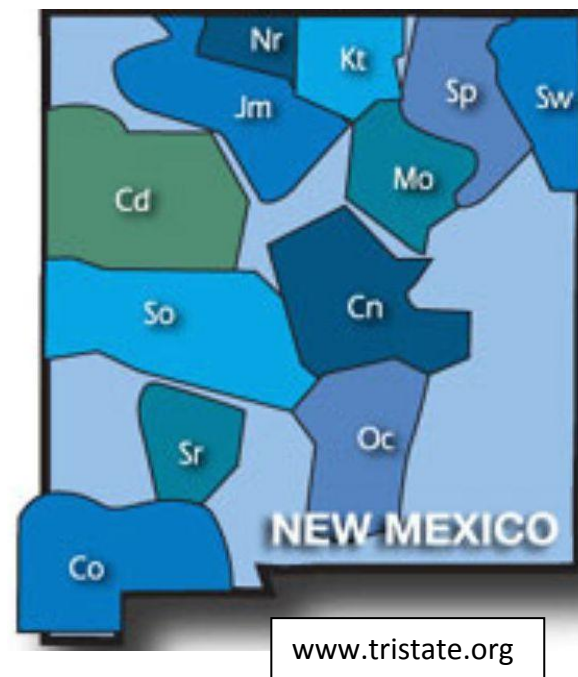


**Tri-State's 12 member coops in New Mexico service most of the area of the state.**

**KCEC is the most advanced in terms of renewable energy.**

**It is among the top ten US coops in renewable energy per person.**

**KCEC is now very close to its 5% limit. So Tri-State can prevent the construction of any more large renewable energy facilities, including shared ones.**



**The 5% limit will apply to all the other New Mexico coops as they begin to build out renewable energy.**



## **How the proposed legislation would work:**

**There are no restrictions on renewable energy facilities that are located on the owner's property.**

**Utilities are required to connect to them.**

**They cannot be counted as part of the 5% limit.**

**The Public Utilities Act (NMSA 62-13-13) refers to such facilities as “located on the host's site,” and “produc[ing] electric energy used at the host's site . . .”**

**Such facilities are also referred to as being “behind the meter.”**

**The first of the proposed bills would modify the Public Utility Act to say that for legal purposes, shared renewable energy facilities are on the sites of the subscribers, and are therefore treated exactly as facilities on a host's site.**

**This bill would also require IOUs to allow shared renewable facilities of up to 2 MW to be built in their service areas, where this is technically feasible.**

**The bill allows coops to permit shared renewable energy facilities on a voluntary basis. The reasons for this distinction between IOUs and coops is that coops are run by elected boards, and so can be expected to allow facilities that are desired by their members.**





**The second proposed bill requires the New Mexico Mortgage Finance Authority “to facilitate shared renewable energy facilities through special-access mortgage packages.”**

**It states that “Any person eligible for mortgage assistance from the authority shall be eligible for the special-access mortgage packages.”**



**Support for the proposed legislation:**

**Renewable Taos has so far collected over 200 signatures supporting the bills. (See the attached petition.)**

**Our campaign is in an early stage, and we hope to collect many times that number.**

**We also plan to have individuals and groups in others area collect signatures.**

**Legislators who have expressed support include:**

**Senators William Soules (who introduced a similar bill in 2012), Carlos Cisneros and Peter Wirth; and**

**Representatives Brian Egolf, Robert Gonzales, and Debbie Rodella.**

**We request that the Science, Technology and Telecommunications Committee endorse these bills.**

***Thank you for your time and attention.***



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